

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)



Order Filed on March 7, 2023
by Clerk
U.S. Bankruptcy Court
District of New Jersey

In Re:
BlockFi Inc.

Case No.: 22-19361

Adv. No.:

Hearing Date:

Judge: Michael B. Kaplan

**ORDER AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION OF
McCARTER & ENGLISH, LLP AS EFFICIENCY COUNSEL FOR THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS OF BLOCKFI, INC., ET AL. NUNC PRO TUNC
TO DECEMBER 29, 2022**

The relief set forth on the following page is hereby **ORDERED**.

DATED: March 7, 2023


Honorable Michael B. Kaplan
United States Bankruptcy Judge

McCARTER & ENGLISH, LLP
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*Proposed Efficiency Counsel to
Official Committee of Unsecured Creditors*

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

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|-----------------------------------|-------------------------|
| In re: | Case No. 22-19361 (MBK) |
| BLOCKFI INC., et al. ¹ | Judge Michael B. Kaplan |
| | Chapter 11 |
| Debtors. | Jointly Administered |

**ORDER AUTHORIZING AND APPROVING THE EMPLOYMENT
AND RETENTION OF McCARTER & ENGLISH, LLP AS EFFICIENCY
COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF
BLOCKFI INC., ET AL., NUNC PRO TUNC TO DECEMBER 29, 2022**

Upon consideration of the *Application for Order Authorizing the Employment and Retention of McCarter & English, LLP as Counsel for the Official Committee of Unsecured Creditors of Blockfi Inc., et al., Nunc Pro Tunc to December 29, 2022* (the “Application”; ECF Doc. #491)², pursuant to sections 328 and 1103(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Rule 2014-1 of the Local Rules of the United States Bankruptcy Court for the District of New Jersey (the “Local Rules”), authorizing and approving the employment of McCarter & English, LLP (“McCarter & English”) as efficiency counsel to the Official Committee of Unsecured Creditors

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors’ serviceaddress is 201 Montgomery Street, Suite 263, Jersey City, NJ 07302.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.

(the “Committee”) appointed in the above-captioned bankruptcy cases (the “Cases”) of BlockFi Inc., *et al.* (the “Debtors”), effective as of December 29, 2022; and upon consideration of the Adler Declaration in support of the Application annexed thereto; and the Court having jurisdiction to consider the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court having found that the relief requested is in the best interests of the Debtors’ estates; and the Committee having provided adequate and appropriate notice of the Application under the circumstances; and after due deliberation and good and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Application is GRANTED as set forth herein.
2. The Committee is authorized pursuant to sections 328(a) and 1103(a) of the Bankruptcy Code to retain and employ McCarter & English as efficiency counsel to the Committee effective as of December 29, 2022.
3. McCarter & English shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with these Cases in compliance with the applicable provisions of the Bankruptcy Code, including sections 330 and 331, the Bankruptcy Rules, the Local Rules, and any other applicable procedures or orders of this Court. McCarter & English also intends to make a reasonable effort to comply with the U.S. Trustee’s request for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013* (the “U.S. Trustee Guidelines”), both in connection with the Application and the interim and final fee applications to be filed by McCarter & English in these Cases.
4. McCarter & English will use the billing expense categories set forth in the U.S. Trustee’s Guidelines (Exhibit D-1 “Summary of Compensation Requested by Project Category”).

5. McCarter & English will provide all monthly fee statement, interim fee applications, and final fee applications in “LEDES” format to the United States Trustee.

6. McCarter & English will bill 50% for non-working travel related to these Cases and will not seek reimbursement for fees or expenses incurred in connection with the defense of any of McCarter & English’s fee applications in these Cases.

7. McCarter & English shall use its best efforts to avoid any duplication of services provided by any of the Committee’s other retained professionals in these Cases.

8. McCarter & English shall not charge a markup with respect to fees billed by contract attorneys who are hired by McCarter & English to provide services to the Committee and shall ensure that any such contract attorneys are subject to conflict checks and disclosures in accordance with the requirements of the Bankruptcy Code and Bankruptcy Rules.

9. McCarter & English shall provide at least 10 business days’ notice to the Committee, the Debtors, and the U.S. Trustee prior to any increases in the rates set forth in the Adler Declaration and shall file such notice with this Court. The U.S. Trustee retains all rights to object to any rate increase on all grounds, including the reasonableness standard set forth in section 330 of the Bankruptcy Code, and the Court retains the right to review any rate increase pursuant to section 330 of the Bankruptcy Code.

10. No agreement or understanding exists between McCarter & English and any other person, other than as permitted by Bankruptcy Code section 504, to share compensation received for services rendered in connection with these Cases, nor shall McCarter & English share or agree to share compensation received for services rendered in connection with these Cases with any other person other than as permitted by Bankruptcy Code section 504.

11. Upon entry of a final order on the *Debtors’ Motion For Entry Of An Order (I) Authorizing The Debtors To File A Consolidated List Of Top 50 Unsecured Creditors And*

Consolidated List Of Creditors, (II) Authorizing The Debtors To Redact Certain Personally Identifiable Information Of Individual Creditors, Clients, Equity Holders, And Current And Former Employees, (III) Authorizing Client Name Redaction, (IV) Waiving The Requirement To File An Equity List And Provide Notices Directly To Equity Security Holders, And (V) Granting Related Relief [Docket No. 4], McCarter & English will disclose the information that the Court orders to be unredacted, if any, through a supplemental declaration. Further, if the Court denies the *Motion Of The Official Committee Of Unsecured Creditors To Seal The Names Of Certain Confidential Transaction Parties Interest Related To The Committee's Professional Retention Applications And For Related Relief* [Docket No. 403], McCarter & English will, through a supplemental declaration, disclose the identities of all counterparties that were filed under seal, and the connections of McCarter & English to such potential counterparties

12. The Committee and McCarter & English are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

13. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

14. Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be immediately effective and enforceable upon its entry.

Dated March _____, 2023

THE HONORABLE MICHAEL B. KAPLAN
UNITED STATES BANKRUPTCY JUDGE